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TAGS: [PREL](#) [PTER](#) [MOPS](#) [MARRIS](#) [KWBG](#) [IS](#)
SUBJECT: CODEL MCCAIN'S MEETING WITH MINDEF PERETZ:
STRATEGIC COOPERATION, IDF TREATMENT OF PALESTINIANS, POWS

REF: A. TEL AVIV 4890

[1](#)B. TEL AVIV 4851

CLASSIFIED BY: CHARGE D'AFFAIRES GENE A. CRETZ, REASON 1.4 (B) (D)

[1](#)1. (C) SUMMARY. CODEL MCCAIN, INCLUDING SENATORS JOHN MCCAIN, JOSEPH LIEBERMAN, SUSAN COLLINS, JOHN THUNE, AND REPRESENTATIVE MARK KIRK, MET WITH MINISTER OF DEFENSE AMIR PERETZ DECEMBER 18. CHARGE AND POL COUNS ATTENDED THE MEETING, AS DID MOD SENIOR STAFF. THE CODEL MENTIONED THEIR VISIT TO IRAQ AND AFGHANISTAN, AND PRAISED THE QUALITY OF U.S.-ISRAEL STRATEGIC COOPERATION. PERETZ, WHO NOTED THAT THE CODEL ALREADY HAD RECEIVED A STRATEGIC OVERVIEW FROM PRIME MINISTER OLMERT (REF A), SAID THAT PALESTINIAN ATTACKS ON ISRAELI CIVILIANS WERE NOT A STRATEGIC THREAT -- THE STRATEGIC THREAT CAME FROM IRAN --, BUT POSED A POLITICAL AND MORAL DILEMMA FOR THE GOI. ISRAEL KNEW HOW TO DEFEND ITSELF FROM LONG-RANGE MISSILES BUT NEEDED TO DEVELOP A DEFENSE AGAINST SHORT-RANGE ROCKETS SUCH AS THE QASSAMS THAT WERE STILL FALLING REGULARLY ON PERETZ'S HOMETOWN, SDEROT. PERETZ STRESSED THE IDF'S EFFORTS TO TREAT PALESTINIAN CIVILIANS HUMANELY DESPITE THE CONSTANT THREAT OF TERRORISM, AND SAID THE IDF WAS IMPLEMENTING A "BIG PROGRAM" TO IMPROVE CROSSINGS AND REMOVE CHECKPOINTS. PERETZ APPEALED TO THE CODEL FOR CONGRESSIONAL FUNDING OF GENERAL DAYTON'S SECURITY PLAN. ON ISRAELI POWS, PERETZ SAID THE TWO SOLDIERS KIDNAPPED BY HIZBALLAH IN JULY WERE PROBABLY WOUNDED BUT DECLINED TO DISCUSS ISRAELI INTELLIGENCE ON THEM IN DETAIL. REGARDING CORPORAL SHALIT, PERETZ SAID HIS RELEASE WAS BEING NEGOTIATED WITH ABU MAZEN AND THE EGYPTIANS SO AS NOT TO ALLOW HAMAS TO SET A PRICE FOR AN ISRAELI SOLDIER. PERETZ STRESSED THE IMPORTANCE OF MAINTAINING ISRAEL'S QUALITATIVE EDGE, CALLING IT ISRAEL'S "INSURANCE POLICY." HE DID NOT RESPOND TO AN OFFER TO DISCUSS ISRAEL'S MILITARY SALES NEEDS, NOTING THAT MOD DIRECTOR GENERAL ASHKENAZI HAD RECENTLY PRESENTED "ALL OF ISRAEL'S REQUESTS" DURING A VISIT TO WASHINGTON. END SUMMARY.

U.S.-ISRAEL STRATEGIC COOPERATION

[1](#)2. (C) SENATOR MCCAIN SAID THE CODEL HAD JUST VISITED IRAQ AND AFGHANISTAN, WHERE THE SITUATION WAS SERIOUS. NOTING THEIR MEETING WITH ABU MAZEN THE DAY BEFORE, MCCAIN SAID THE PALESTINIAN PRESIDENT HAD EXPRESSED INTEREST IN A MEETING WITH PM OLMERT, BUT ALSO HAD MENTIONED HIS URGENT NEED FOR FUNDING. SENATOR MCCAIN THANKED PERETZ FOR THE SERVICE AND SACRIFICE OF IDF SOLDIERS. SENATOR LIEBERMAN PRAISED U.S.-ISRAELI STRATEGIC COOPERATION, SAYING THAT IN A DANGEROUS WORLD, THERE WAS NO SUBSTITUTE FOR POWER USED WISELY. SENATOR COLLINS COMMENTED THAT AMERICANS HAD COME TO HAVE A BETTER UNDERSTANDING OF ISRAEL'S SECURITY DILEMMAS SINCE 9/11.

[1](#)3. (C) NOTING THAT PM OLMERT HAD ALREADY PROVIDED THE CODEL A STRATEGIC OVERVIEW, PERETZ SAID WE HAD REACHED ONE OF THE

REGION'S MOST SENSITIVE AND IMPORTANT MOMENTS. THE ENTIRE FREE WORLD FACED A GREAT CHALLENGE OVER HOW TO DEAL WITH THE CONFRONTATION BETWEEN RADICALS, BACKED BY IRAN, AND MODERATES. WHETHER THE PALESTINIAN PROBLEM WAS A GENUINE CONCERN FOR THE ARABS OR A RHETORICAL DEVICE, IT REMAINED A CENTRAL CONCERN. NOTING THAT HE STILL LIVED IN THE TOWN OF SDEROT BORDERING GAZA, PERETZ SAID THE SITUATION WAS COMPLICATED. THREE WEEKS AGO, A QASSAM ROCKET THAT LANDED NEXT TO PERETZ'S HOUSE HAD BLOWN OFF THE LEGS OF HIS PERSONAL BODYGUARD AND KILLED A WOMAN PEDESTRIAN. WHILE HE CONSIDERED HIMSELF A MAN OF PEACE, PERETZ SAID IT WAS DIFFICULT TO EXPLAIN THE NEED FOR RESTRAINT TO ISRAELIS WHO WERE LIVING UNDER REGULAR ATTACK. NEVERTHELESS, PERETZ SAID PEACE WAS ISRAEL'S FIRST CHOICE. MILITARY ACTION SHOULD ONLY BE TAKEN IN ORDER TO CREATE A POLITICAL SPACE.

TACTICAL AND STRATEGIC THREATS

¶4. (C) PERETZ STRESSED THAT QASSAMS AND SUICIDE BOMBERS LAUNCHED BY PALESTINIAN TERRORIST ORGANIZATIONS WERE A TACTICAL, NOT A STRATEGIC THREAT. IRAN WAS THE ONLY STRATEGIC THREAT TO ISRAEL. BUT THE GOI FACED A POLITICAL AND MORAL QUESTION OF HOW TO PROTECT ITS CITIZENS FROM TACTICAL THREATS AS WELL. ISRAEL KNEW HOW TO DEFEND ITSELF AGAINST LONG-RANGE MISSILES, BUT IT STILL NEEDED TO DEVELOP THE MEANS TO DEFEND AGAINST SHORT-RANGE ROCKETS SUCH AS QASSAMS AND KATYUSHAS. PERETZ SAID ISRAEL WAS TAKING A NEW LOOK AT SYSTEMS SUCH AS THE NAUTILUS.

HUMANE HANDLING OF PALESTINIANS

¶5. (C) PERETZ SAID HE WAS OFTEN ASKED WHETHER HIZBALLAH'S

KIDNAPPING OF TWO SOLDIERS HAD JUSTIFIED GOING TO WAR. NOTING THAT THIS EVENT FOLLOWED THE KIDNAPPING OF ONE SOLDIER NEAR GAZA AND OF AN ISRAELI CIVILIAN IN THE WEST BANK, PERETZ SAID IT HAD BEEN NECESSARY TO SHOW THAT KIDNAPPING OF ISRAELIS COULD NOT BECOME ROUTINE. HE ADDED THAT RETRIEVING MISSING SOLDIERS WAS A "SUPREME VALUE" FOR ISRAEL SINCE IDF SOLDIERS NEEDED TO KNOW THAT THEIR GOVERNMENT WOULD DO EVERYTHING IN ITS POWER TO FREE THEM IF THEY WERE CAPTURED.

¶6. (C) PERETZ STRESSED THAT HUMANITARIAN VALUES WERE PART OF THE IDF'S WORLDVIEW. THERE WAS NO WAR BY ISRAEL AGAINST THE PALESTINIAN PEOPLE, ONLY AGAINST TERRORISTS. PERETZ CITED THE EXAMPLE OF THE IDF HAVING TO DECIDE HOW TO HANDLE INTELLIGENCE THAT A WEAPONS STOCKPILE WAS LOCATED UNDER A CIVILIAN HOUSE IN GAZA. THE IDF DECIDED TO WARN THE RESIDENTS OF THE HOUSE BY TELEPHONE TO EVACUATE TWO HOURS BEFORE BOMBING THE BUILDING. THE NEXT TIME THEY WARNED CIVILIANS, HOWEVER, HAMAS BROUGHT CROWDS TO THE ROOFTOP OF THE TARGETED BUILDING BECAUSE THEY KNEW THE IDF WOULD NOT ATTACK. AT THE KARNI CROSSING, THE MOD KEPT IT OPEN TO ENSURE THE DELIVERY OF ESSENTIAL SUPPLIES TO GAZA DESPITE CONSTANT TERRORIST THREATS TO THE FACILITY. PERETZ SAID HE HOPED THE CIVILIAN POPULATION IN GAZA UNDERSTOOD THAT ISRAEL

WANTED TO KEEP THE CROSSINGS OPEN, WHILE THE TERRORISTS SOUGHT TO CLOSE THEM.

¶7. (C) NOTING THE IDF WAS INITIATING A "BIG PROGRAM" TO IMPROVE THE CROSSINGS AND REMOVE UNNECESSARY ROADBLOCKS, PERETZ PRAISED THE MODS "CLOSE COOPERATION" WITH THE AMBASSADOR AND EMBASSY TEL AVIV'S WORKING GROUPS ON AMA IMPLEMENTATION. HE URGED THE CODEL TO SUPPORT CONGRESSIONAL FUNDING OF GENERAL DAYTON'S SECURITY PLAN.

POWS

¶8. (C) SENATOR MCCAIN NOTED THAT THE CODEL HAD MET WITH THE FAMILIES OF THE THREE KIDNAPPED IDF SOLDIERS. HE ASKED ABOUT PRESS REPORTS THAT THE TWO SOLDIERS KIDNAPPED BY HIZBALLAH HAD BEEN WOUNDED AND WHETHER THE MOD WAS SHARING ITS INFORMATION WITH THE FAMILIES. PERETZ SAID THIS WAS A VERY

SENSITIVE SUBJECT. HE COULD CONFIRM THERE WERE INDICATIONS THAT THE SOLDIERS WERE WOUNDED BUT SAID HE PREFERRED NOT TO DISCUSS IT IN DETAIL SINCE HIZBALLAH WOULD EXPLOIT ANY LEAK. PERETZ CONFIRMED THAT THE MOD SHARED MOST OF ITS INFORMATION WITH THE FAMILIES, ADDING THAT THE GOI WOULD ASSUME THE SOLDIERS WERE ALIVE UNLESS IT WAS PROVEN OTHERWISE.

¶9. (C) SENATOR MCCAIN SAID THE NEGOTIATIONS FOR CORPORAL SHALIT WERE DIFFICULT SINCE HE WAS BEING HELD BY HAMAS BUT ISRAEL WAS NEGOTIATING WITH FATAH. PERETZ RESPONDED THAT IF ISRAEL DELIVERED 100 PRISONERS TO HAMAS, IT WOULD BE A SLAP IN THE FACE FOR ABU MAZEN. ISRAEL WAS NEGOTIATING WITH FATAH AND THROUGH THE EGYPTIANS SINCE IF THE PALESTINIAN POPULATION UNDERSTOOD THAT ABU MAZEN WAS THE RIGHT ADDRESS, MANY ISSUES COULD BE RESOLVED. NEGOTIATING WITH HAMAS WOULD ALLOW THE TERRORISTS TO SET A PRICE FOR THE FREEDOM OF AN ISRAELI SOLDIER, BUT NEGOTIATING WITH ABU MAZEN WAS PART OF OPENING A POLITICAL PROCESS.

MILITARY SALES

¶10. (C) SENATOR LIEBERMAN ASKED PERETZ ABOUT ISRAEL'S MILITARY SALES NEEDS. PERETZ REPLIED THAT MOD DIRECTOR GENERAL ASHKENAZI HAD RECENTLY HEADED A DELEGATION TO WASHINGTON THAT HAD RAISED "ALL OF ISRAEL'S REQUESTS" WITH DOD AND STATE. PERETZ ADDED THAT A SYSTEM TO DEAL WITH THE SHORT-RANGE ROCKET THREAT WAS ISRAEL'S MOST IMPORTANT AND URGENT NEED. THIS ISSUE ALSO HAD STRATEGIC IMPLICATIONS, SINCE THE ISRAELI PUBLIC WOULD NEVER ACCEPT WITHDRAWING FROM THE WEST BANK DUE TO THE FIRING OF QASSAM ROCKETS FROM GAZA AFTER ISRAEL'S WITHDRAWAL. IF ISRAEL HAD A SYSTEM TO DEFEND AGAINST SHORT-RANGE ROCKETS, HOWEVER, IT WOULD OPEN A BROADER RANGE OF POLITICAL OPTIONS. PERETZ ALSO AGREED THAT ISRAEL NEEDED TO CONTINUE WITH THE ARROW UPGRADE.

¶11. (C) CONCLUDING THE MEETING, PERETZ STATED THAT MAINTAINING ISRAEL'S QUALITATIVE EDGE WAS CRITICAL SINCE IT REPRESENTED ISRAEL'S "INSURANCE POLICY." ISRAEL DID NOT HAVE THE LUXURY OF GAMBLING TWICE, HE COMMENTED. REPRESENTATIVE KIRK SAID HE WOULD WATCH OUT FOR THE F-16I, ARROW UPGRADE, AND DSP PROGRAMS.

¶12. (U) CODEL MCCAIN DID NOT HAVE AN OPPORTUNITY TO CLEAR THIS MESSAGE.

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HTTP://WWW.STATE.SGOV.GOV/P/NEA/TELAVIV

YOU CAN ALSO ACCESS THIS SITE THROUGH THE STATE DEPARTMENT'S CLASSIFIED SIPRNET WEBSITE.

CRETZ